GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3334
ANSWERED ON:07.12.2007
CALCULATION OF RATE ON INFLATION
Chaudhary Shri Pankaj

Will the Minister of FINANCE be pleased to state:

(a) whether the Government proposes to calculate the rate of inflation on the basis of consumer price index instead of wholesale price index; and

(b) if so, the details thereof?

Answer

MINISTER OF STATE FOR FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) and (b): Inflation is measured in terms of movement of Wholesale Price Index of 435 commodities on a weekly basis. Four Consumer Price Indices separately for industrial workers (CPI-IW), urban non-manual employees (CPI-UNME), agricultural labourers (CPI-AL) and rural labourers (CPI-RL) are also compiled at the National level to reflect movement of prices on a monthly basis.